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The Edelstein Healthcare Advisory

Welcome!

To enhance our ongoing communication with our clients, the Healthcare Team at Edelstein & Company LLP has created a monthly Healthcare Advisory. Our goal is to keep you informed about the latest trends and issues affecting your practice's operations and finances.

Give us your feedback. Let us know if you find the information helpful, what we can do to make this service more valuable and other topics or questions you'd like to see discussed.

Thank you for your continued business,

The Edelstein Healthcare Team

HIT Mandates and Opportunities for Physician Practices- Harnessing technology in your practice

Overview

Health information technology (HIT) is a rapidly expanding dimension of health care delivery. While the government mandates the implementation of HIT, these systems provide medical practices a number of opportunities to improve patient care, reduce costs and streamline processes. In this article, we describe some of the most active areas in HIT and the steps that your practice can take to succeed.

- ICD-10 transition
- HIPAA security risk analyses
- Administrative simplification
- Meaningful use of EHRs

ICD-10 transition

Although the Oct. 1, 2014 deadline to transition to the new ICD-10 procedure coding system has been postponed for one year, your practice should work aggressively to make the changeover from ICD-9. Here are critical steps your practice should address soon:

- Identify processes and systems impacted by ICD-10
- Negotiate solutions to identified problems with system vendors
- Calculate an implementation budget
- Train administrative and clinical staff on the effects of the transition on their roles in the revenue cycle
- Educate staff on documentation changes required of them
- Conduct trial runs of coded claims with payers and clearinghouses.
- Draft a contingency plan that anticipates unprepared vendors and clearinghouses, reduced clinician and coder productivity, and increased claims pending or denied.

The plan should consider the technology, staffing and financial effects of these changes.

HIPAA security risk analyses

Stage 1 and Stage 2 of the EHR incentive program require that practices "conduct or review a security risk analysis." Under Stage 2, a practice must examine the security of the data it collects and stores, implement regular updates, and correct identified security deficiencies. A common reason a practice fall shorts on the ACMS meaningful use audit is because it does not conduct a proper security risk analysis — a key requirement of the HIPAA Security Rule.

It is possible that the Office for Civil Rights (within the CMS) will enforce these requirements more rigorously going forward, so you should redouble your efforts to monitor and maintain data security protection activities.

In March 2014, the Department of Health and Human Services released a new security risk assessment tool designed specifically for small to medium-size practices. You can find it at http://healthit.gov/providers-professionals/security-risk-assessment.

Administrative simplification

Beginning this year, payers must offer physician practices electronic funds transfer (EFT) and more durable electronic remittance advice (ERA) transactions. These improvements should reduce the manual tasks associated with paper check remittances.

Additionally, a module developed by the Council for Affordable Quality Healthcare (http://www.caqh.org) enables practices to submit EFT information once and authorize multiple payers to access it. On the patient payments side, procedures for insurance eligibility verification are already in place so practices can check patient service and financial responsibility in less than a minute.

To take advantage of these new measures your Edelstein & Company advisor can help you:

- Review the current revenue cycle workflow
- Determine where further automation would help
- Assess the capabilities of the current practice management system
- Decide whether upgrades in system software or hardware are warranted.

Meaningful use of EHRs

Since 2011, CMS has made incentive payments to hospitals and eligible professionals (EPs) for their "meaningful use" of certified EHR technology to improve patient care. More than 50% of all physicians have qualified for payments under Stage 1 and are gearing up for Stage 2.

Since then, thresholds for many of the existing meaningful use requirements have been raised and new requirements have been added. For example, practices must enable at least 50% of their patients to view, transmit and download their health information online, and more than 5% must actually do so. Practices must also communicate with more than 5% of their patients through secure electronic messaging.

We recommend that your practice continue to work with your system vendor to:

- ensure that the software will be updated in time to accommodate Stage 2 requirements
- determine how to re-engineer work processes and patient flows to satisfy the requirements.

Technology Update- Harness technology for mobile health applications

Increasingly, patients are using smart phones and tablets to gather information about their health care. Mobile apps enable them to manage their interactions with their health care system.

These apps provide practices with a new opportunity to provide value to patients while improving care and potentially reducing costs.   You can start by recommending existing mobile apps that might be helpful for your patients.

Some 25,000 health-related apps are available in the Apple iTunes store, including those that:

• focus on prevention and healthy lifestyles (8,700)
• are specific to individual diseases (2,000)

- target particular population demographics (1,500)
- help find a health care professional or facility (1,000)
- facilitate self-diagnosis (300)
- help in post-diagnosis education (500)
- provide assistance in understanding and filling drug prescriptions (200).

You can also (with the help of readily available consultants) develop proprietary apps that offer basic practice information, scheduling and bill-paying functions. Many existing EHR systems include these capabilities.

For more information or assistance, please contact your personal Edelstein advisor.

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